

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	<u>Range Resources-Pine Mountain, Inc.</u>)	VIRGINIA GAS
)	AND OIL BOARD
RELIEF SOUGHT	EXCEPTION TO STATEWIDE SPACING)	
	LIMITATIONS PRESCRIBED BY)	DOCKET NO.
	VA. CODE § 45.1-361.17 (a) (2))	<u>VGOB-13-0917-4025</u>
	FOR <u>WELL NO. 900145</u>)	
)	
)	
LEGAL DESCRIPTION:)	
	DRILLING UNIT SERVED BY WELL)	
	NUMBERED <u>900145</u>)	
	TO BE DRILLED IN THE LOCATION)	
	DEPICTED ON <u>EXHIBIT A</u> HERETO,)	
	<u>Edward D. Swinney Tract</u>)	
	52.52-acres, more or less)	
	<u>ELKHORN CITY QUADRANGLE</u>)	
	<u>ROCKLICK DISTRICT</u>)	
	<u>BUCHANAN COUNTY, VIRGINIA</u>)	
	(the "Subject Lands" are more particularly described)	
	on <u>Exhibit "A"</u> , attached hereto and made a part)	
	hereof))	

REPORT OF THE BOARD

FINDINGS AND ORDER

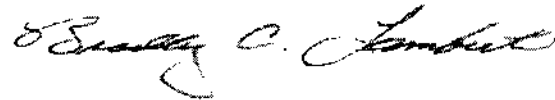
1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on **September 17, 2013 and continued to October 22, 2013** at the Russell County Conference Center, Highland Drive, Lebanon, Virginia.
2. Appearances: Timothy E. Scott of McKinnis & Scott, appeared for the Applicant.
3. Jurisdiction and Notice: Pursuant to Va. Code §§ 45.1-361.1 et seq., the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner having an interest in Subject Drilling Unit underlying and comprised of Subject Lands; and (2) represented to the Board that it has given notice to those parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code § 45.1-361.19 to notice of this application. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B. Whereupon, the

Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Amendments: None.
5. Dismissals: None.
6. Relief Requested: Applicant requests an exception to the statewide spacing limitations set forth in Va. Code § 45.1-361.17 for Well No. 900145.
7. Relief Granted: The requested relief in this cause shall be and hereby is granted. The Board hereby grants Applicant consent to permit and drill proposed Well No. 900145 which is 2,376 feet from Range Resources-Pine Mountain, Inc. Well No. 809826; and, 2,476 feet from Range Resources-Pine Mountain, Inc. Well No. 809680; and 2,149 feet from Range Resources-Pine Mountain, Inc. Well No. 821672 at the location depicted on the Plat attached hereto as Exhibit A.
8. Special Findings: The Board specifically and specially finds:
 - 8.1 Applicant is Range Resources-Pine Mountain, Inc. Applicant is duly authorized and qualified to transact business in the Commonwealth of Virginia;
 - 8.2 Applicant Range Resources-Pine Mountain, Inc. is an operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia;
 - 8.3 Applicant claims ownership of Conventional Gas Leases of Subject Drilling Unit and the right to explore for, develop and produce Gas from Well No. 900145 as well as the right to participate and develop the reciprocal wells, being Range Resources-Pine Mountain, Inc. Well Nos. 809826, 809680 and 821672.
 - 8.4 The proposed Well No. 900145 is located on the Edward D. Swinney 52.52-acre Tract and the surface, coal, gas and oil owners have consented to the proposed location for Well No. 900145 that is depicted on the Plat attached hereto as Exhibit A;
 - 8.5 The Applicant testified it has the right to operate and participate in the development of the reciprocal Range Resources-Pine Mountain, Inc. Well Nos. 809826, 809680 and 821672 and that the granting of the application filed herein will not impact the correlative rights of any person;
 - 8.6 An exception to the well spacing requirements of Va. Code § 45.1-361.17 for Well No. 900145 is necessary to efficiently drain a portion of the common sources of supply (reservoir) underlying Subject Drilling Unit, and the Board's granting of the requested location exception is in the best interest of preventing the waste of 450 million cubic feet of Conventional Gas underlying the Subject Drilling Unit, and to generally effect the purposes of the Virginia and Oil Act;
 - 8.7 Applicant proposes the drilling of Well No. 900145 to a depth of 5,227 feet on the Subject Drilling Unit at the location depicted on Exhibit A to produce all the Mississippian and Devonian Age formations including, but not limited to, Ravencloff, Maxon, Big Lime, Weir, Berea and Devonian Shale, from surface to total depth drilled, 5,227 feet ("Subject Formations");

- 8.8 Applicant proposes to drill Well No. 900145 a distance of 124.00 feet closer to Range Resources-Pine Mountain, Inc. 809826; and, 24 feet closer to Range Resources-Pine Mountain, Inc. Well No. 809680 and 375 feet closer to Range Resources-Pine Mountain, Inc. Well No. 821672 than the 2500 feet mandated by statewide spacing;
- 8.9 Applicant proposes to complete and operate Well No. 900145 for the purpose of producing Conventional Gas;
9. Conclusion: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED.**
10. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court. Such appeals must be taken in the manner prescribed in the Administrative Process Act, Va. Code Ann. § 9-6.14:1 et seq. and Rule 2A of the Rules of the Virginia Supreme Court.
11. Effective Date: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

DONE AND EXECUTED this 6 day of November, 2013 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 6 day of November, 2013 by Order of the Virginia Gas and Oil Board.



Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

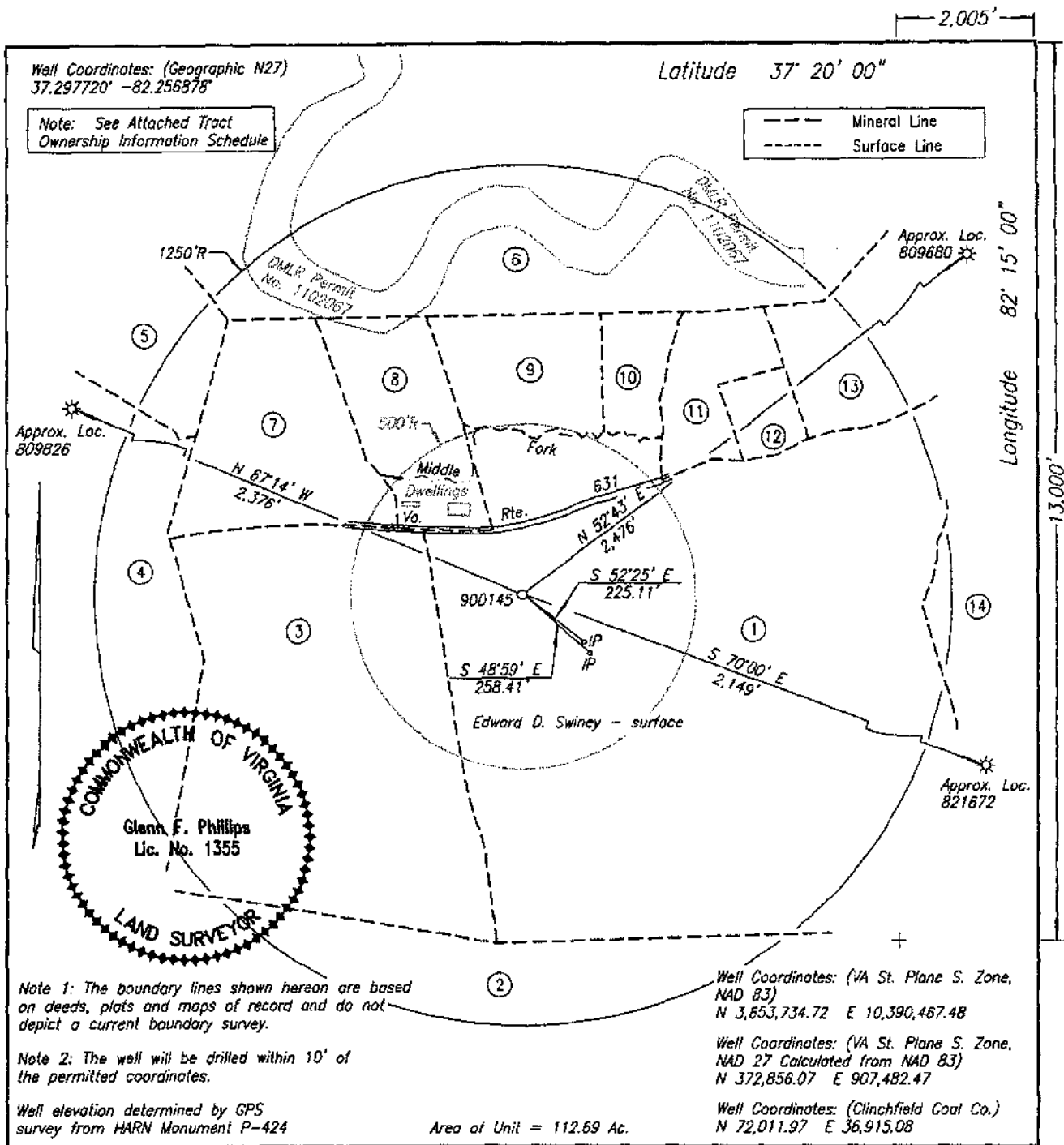
Acknowledged on this 6th day of NOV, 2013, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.



Diane J. Davis, Notary Public
174394

My Commission expires: September 30, 2017





WELL LOCATION PLAT NORA GRID H-60

COMPANY Range Resources-Pine Mountain, Inc. WELL NAME AND NUMBER 900145
TRACT NO. Edward D. Swiney ELEVATION 1,538.53' QUADRANGLE Elkhorn City
COUNTY Buchanan DISTRICT Rock Lick SCALE 1" = 400' DATE 7-8-2013
This Plat is a new plat x; an updated plat ; or a final location plat
+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

900145 PLAT
TRACT OWNERSHIP INFORMATION SCHEDULE
7/3/2013

1. Lease No. 450270559 (1-064421)
Edward D. Swiney - surface, coal, oil & gas
52.52 Acres
Gas 43.18 Ac. 38.32%
2. Big Sandy Fuel Corp.
12,627.34 Acres
Range Resources - Pine Mountain, Inc. - oil & gas
Gas 6.85 Ac. 6.08%
3. Lease No. 450270583 (1-066416)
Elsie Craft - surface, coal, oil & gas (50% int.)
Richard L. Bailey - surface, coal, oil & gas (50% int.)
6 Acres
Gas 20.49 Ac. 18.18%
4. Lease No. 450270582 (1-066415)
Henry Clarence & Bessie Looney - oil & gas (Life Estate)
Erdil Jack Looney - oil & gas (Remainderman - Und. 1/3 Int.)
Angela Marie Compton - oil & gas (Remainderman - Und. 1/3 Int.)
Clarence Alan Looney - oil & gas (Remainderman - Und. 1/3 Int.)
20 Acres
Gas 5.85 Ac. 5.19%
5. Lease No. 450270582 (1-066415)
Henry Clarence & Bessie Looney - oil & gas (Life Estate)
Erdil Jack Looney - oil & gas (Remainderman - Und. 1/3 Int.)
Angela Marie Compton - oil & gas (Remainderman - Und. 1/3 Int.)
Clarence Alan Looney - oil & gas (Remainderman - Und. 1/3 Int.)
3 Acres
Gas 1.19 Ac. 1.06%
6. Big Sandy Fuel Corp.
12,627.34 Acres
Range Resources - Pine Mountain, Inc. - oil & gas
Gas 12.98 Ac. 11.52%
7. Lease No. 450270583 (1-066416)
Eddie Dean Looney - coal, oil & gas
P/O 5.45 Acres
Gas 6.47 Ac. 5.74%
8. Lease No. 450270583 (1-066416)
Charlie Allen & Pamela Gail Altizer - surface, coal, oil & gas
3.55 Acres
Gas 4.29 Ac. 3.81%
9. Lease No. 450270583 (1-066416)
Eddie Dean Looney - gas
P/O 5.45 Acres
Edward D. Swiney - surface, coal & oil
4 Acres
Gas 3.51 Ac. 3.11%
10. Lease No. 450270583 (1-066416)
Eddie Dean Looney - oil & gas
P/O 5.45 Acres
Edward D. Swiney - surface & coal
1 Acres
Gas 1.52 Ac. 1.35%
11. Lease No. 450270579 (1-065991)
Shelvy Cline - oil & gas
3 Acres
Gas 2.47 Ac. 2.19%
12. Lease No. 450270579 (1-065991)
Grover Cline - oil & gas (50% Int.)
Rebecca Cline - oil & gas (50% Int.)
1 Acre
Gas 1.05 Ac. 0.93%
13. Lease No. 450270559 (1-064421)
Roy Dwayne & Donna Marie H. Looney - oil & gas
4 Acres
Gas 2.37 Ac. 2.10%
14. Lease No. 450270561 (1-064452)
Lance Myron Looney - oil & gas (Und. 2/7 Int.)
Clarence Looney - oil & gas (Und. 1/7 Int.)
Toy Looney - oil & gas (Und. 1/7 Int.)
Roy Looney - oil & gas (Und. 1/7 Int.)
Chloe J. Breeding Conaway - oil & gas (Und. 1/7 Int.)
Randy Dean Looney - oil & gas (Und. 1/21 Int.)
Sandra Kay Looney Hylton - oil & gas (Und. 1/21 Int.)
Diane Looney Helton - oil & gas (Und. 1/21 Int.)
Gas 0.47 Ac. 0.42%

Exhibit "B"
Well No. 900145
5,227'

DEPTH -

Dickenson-Russell Coal Company
Maxxim Shared Services, LLC
Attn: Steve Smith
5703 Crutchfield Drive
Norton, VA 24273

ALPHA Land & Reserves, LLC
Attn: Steve Smith
5703 Crutchfield Drive
Norton, VA 24273

WBRD LLC
John Mooney
5260 Irwin Road
Huntington, WV 25705-3247

ACIN LLC
John Mooney
5260 Irwin Road
Huntington, WV 25705-3247

Penn Virginia Operating Company, LLC
Mr. John Keith
Seven Sheridan Square, Suite 400
Kingsport, TN 37660

Wellmore Energy Company
Attn: Robert Brendlinger
P.O. Box 2860
Grundy, VA 24614-2860

Edward D Swiney
PO Box 84
Breaks, VA 24607

Elsie Craft & Richard Bailey
PO Box 234
Breaks, VA 24607

Henry Clarence & Bessie Looney
PO Box 188
Breaks, VA 24607

Clarence Alan Looney
PO Box 7
Breaks, VA 24607

Erdil Jack Looney
PO Box 8
Breaks, VA 24607

Angela Marie Compton
PO Box 622
Rosedale, VA 24280

Eddie Dean Looney
PO Box 295
Breaks, VA 24607

Charlie Allen & Tameia Gail Altizer
PO Box 173
Maxie, VA 24628

Sheivy Cline
1672 Looney Creek Rd
Grundy, VA 24614

Grover & Rebecca Cline
1052 White Clover Rd
Breaks, VA 24607

Roy Dwayne & Donna Marie Looney
PO Box 218
Breaks, VA 24607

Lance Myron Looney
PO Box 158
Breaks, VA 24607

Toy Looney
PO Box 9
Breaks, VA 24607

Roy Looney
PO Box 86
Breaks, VA 24607

Chloe I Breeding Conaway
PO Box 254
Breaks, VA 24607

Randy Dean Looney
245 Liza Flats
Haysi, VA 24256

Sandra Kay Looney Hylton
PO Box 53
Breaks, VA 24607

Diane Looney Hylton
PO Box 154
Breaks, VA 24607